

KEY POINTS TO BREAD-AND-BUTTER TRADES

- **RISK REWARD RATIO**
 - 1.0 TRADES MEANS 50/50 CHANCE OF WINNING, ALWAYS CALCULATE THE RISK AND THE REWARD. YOU NEED TO DOUBLE THE REWARD OVER THE RISK.
 - WE TRADE BASED ON THE CALCULATED RISK
- **RULE**
 - THE REWARD SHOULD BE HIGHER TWICE VS. POTENTIAL RISK/LOSS.
- **3 ELEMENTS OF AN EFFECTIVE RISK REWARD RATIO**
 - ACCURATE STOP LOSS
 - ACCURATE ENTRY AREA
 - ACCURATE TP AREA
- **KEY LEVEL SUPPORT**
 - SUPPORT WELL RESPECTED MULTIPLE OHLC (low prices) TAILS CAN BE FOUND ON HIGHER TIMEFRAMES (longer periods) MULTI WEEK, MONTH, YEAR.
- **KEY LEVEL RESISTANCE**
 - WELL RESPECTED MULTIPLE OHLC (high price, wick) ARE HITTING IT (rejecting) BIGGER TIMEFRAME AND **LONGER PERIODS.**
- **ORDINARY RESISTANCE**
 - WELL RESPECTED MULTIPLE OHLC (high price, wick) ARE HITTING IT (rejecting) BIGGER TIMEFRAME AND **SHORTER PERIODS.**
- **O.R.A.S (Old Resistance Acting as Support)**
 - IF YOU'RE GOING TO **LONG TRADE** YOUR STOPLOSS SHOULD BE **LOWER AT KEY LEVEL SUPPORT**
- **O. SU.RE (Old Support acting as Resistance)**
 - IF YOU'RE GOING TO **SHORT TRADE** YOUR STOPLOSS SHOULD BE **ABOVE THE KEY LEVEL RESISTANCE.**